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WISCONSIN
FEDERAL MILK ORDER BULLETIN

MAR 4 1965
CURRENT SERIAL RECORDS

for the
Milwaukee, Northeastern
and Madison Marketing Areas

C. T. McCleery - Market Administrator

MAY 1963

NOTICE OF HEARING FOR CHICAGO

The USDA has issued a "notice of hearing" for the Chicago market. This hearing is to be held at the Morrison Hotel, in Chicago, beginning at 10:00 a.m., May 23, 1963.

Various proposals under the notice affect practically all of the provisions of Order No. 30.

PAYMENTS OVER MINIMUM PRICES

In recent years, producers in about one-third of the Federal milk order markets have been obtaining payments above Federal order minimum prices for milk going into fluid use. Within some markets, these payments have been obtained in all months of the year; in others, only in certain months. (continued to page 8)

FEDERAL MILK MARKETING ORDERS

(This is the first of a series of short articles which will present information on various and general aspects of Federal orders. The articles were prepared by Agricultural Marketing Service.)

Federal milk marketing orders are part of the broad program of marketing agreements and orders authorized by the Agricultural Adjustment Act of 1933, as amended, and the Agricultural Marketing Agreement Act of 1937.

Like the agreements and orders in effect for various fruits, vegetables, and tree nuts, the milk marketing orders provide a means by which producers and handlers, with the approval of the Secretary of Agriculture, can develop and maintain orderly marketing conditions and reasonable prices for their product. This cooperative approach to commodity (continued to page 8)

— DATA IN BRIEF - FOR THE MAN IN A HURRY —

	<u>Milwaukee</u> <u>Order No. 39</u>		<u>Northeastern Wis.</u> <u>Order No. 45</u>		<u>Madison</u> <u>Order No. 51</u>	
<u>APRIL 1963</u>						
Class I Price & Differential	\$3.53	7.0¢	\$3.41	7.2¢	\$3.53	7.0¢
Class II Price & Differential	\$3.08	6.7¢	\$3.08	6.7¢	\$3.08	6.7¢
Producer Price & Dif'l: Base	\$3.505	6.9¢	\$3.30	7.0¢	\$3.45	6.9¢
Excess	\$3.139	6.9¢	\$3.08	7.0¢	\$3.08	6.9¢
Pounds of Producer Milk	68,098,773		39,452,319		20,261,998	
Percentage in Class I	82.8%		53.0%		67.8%	
<u>MAY 1963</u>						
Class I Price & Differential	\$3.52	7.0¢	\$3.38	7.2¢	\$3.52	7.0¢

UNIFORM PRICES AND

COMPUTATION

PRODUCER PRICES FOR APRIL 1963

Milwaukee Wisconsin Marketing Area
Federal Order No. 39

APRIL 1963

Minimum prices per hundredweight to be paid on or before the 15th of each month to producers for 3.5% milk, f.o.b. plant. These prices are subject to a butterfat differential per point over and under 3.5% and to a deduction of 2 cents per hundredweight for marketing service for nonmembers. In the case of members of approved cooperatives, these prices are subject to the deductions authorized by the associations.

The prices listed below do not include any premium payments which may be paid by handlers and which may bring actual payments in excess of minimum requirements.

Name of Handler	Base Price	Excess Price	B.F. Dif'l
Blochowiak Dairy	\$3.47	\$3.08	6.9¢
The Borden Co.	3.46	3.08	6.9
Cedarburg Dairy, Inc.	3.51	3.08	7.0
Christiansen's Dairy	3.53	-	7.0
Fairmont Foods Co.	3.53	3.08	7.0
Gehl Guernsey Dairy	3.43	3.08	6.9
Golden Guernsey Dairy	3.52	3.08	6.9
Harmony Dairy Products	3.51	3.08	6.9
Hawthorn-Mellody Farms	3.49	3.18	7.0
Healthway Dairy, Inc.	3.52	3.36	7.0
Home Dairy	3.55	3.40	6.9
Keystone Farms	3.18	3.08	6.9
Krueger Dairy	3.53	3.46	7.0
Landgren's, Inc.	3.56	3.33	7.0
McFarlands' Farm Dairy	3.46	3.08	6.9
Milk Producers Coop.	3.58	3.08	6.9
Mullen's Dairy	3.60	3.35	7.0
Progressive Dairy Prod.	3.55	3.08	6.9
Pure Milk Association	3.57	3.36	7.0
Roets Home Dairy	3.44	3.44	7.0
Schroeder Dairy	3.52	3.30	7.0
Sealtest Foods	3.51	3.08	7.0
Standard Dairy	3.49	3.08	6.9
Vande Kolk Dairy	3.80	3.49	7.0
Warren Dairy	3.60	3.48	7.0
Wayside Dairy	3.53	3.27	7.0
West Side Dairy, Inc.	3.53	3.38	7.0

WEIGHTED AVERAGES \$3.505 \$3.139 6.9¢

Weighted Average of Base and
Excess Prices for Information: \$3.455

Producer Milk in Class I

Producer Milk in Class II

Total Milk and Value Before Adjustments
Adjustments for Value of:
Overage Deducted from Classes I & II
Beginning Inventory Reclassification
Other Source Milk Deducted from Class I
Butterfat More or Less than 3.5 Percent
Plant Location Differentials
Half of Producer-Equalization Fund
Aggregate Value
Excess Milk and Value

Value for Base Milk
Reserve to Producer-Equalization Fund

Base Price to Producers for 3.5% Milk

MANUFACTURING PRICES AND

Year and Month	92 Score Butter Chicago	Cheddar Cheese Wis.	Spray Dry Skim	Basic Formula Price dol.	Handler B'fat Dif'l C.I* C.II
1962	cents	cents	cents		cents
June	57.94	33.00	14.13	3.01	7.0 6.7
July	57.96	33.00	14.16	3.03	7.0 6.7
Aug.	57.97	33.00	14.14	3.04	7.0 6.7
Sep.	58.28	33.31	14.05	3.06	7.0 6.7
Oct.	57.96	34.00	14.14	3.07	7.0 6.7
Nov.	57.99	34.50	14.16	3.10	7.0 6.7
Dec.	57.98	34.50	14.15	3.11	7.0 6.7
1963					
Jan.	57.97	34.56	14.15	3.10	7.0 6.7
Feb.	57.94	34.31	14.17	3.10	7.0 6.7
Mar.	57.97	33.79	14.19	3.10	7.0 6.7
Apr.	57.97	33.80	14.14	3.09	7.0 6.7
May					
June					

* Exception, Order No. 45 Class I differential is 7.2¢.

OTHER PRICE DATA

OF UNIFORM PRICES

Northeastern Wisconsin Marketing Area Federal Order No. 45				Madison Wisconsin Marketing Area Federal Order No. 51			
Pounds of Milk	Average B'fat Test	Price at Test	VALUE	Pounds of Milk	Average B'fat Test	Price at Test	VALUE
20,920,981	3.586089	\$3.473194	\$726,626.23	13,738,542	3.476504	\$3.480856	\$478,218.86
18,531,338	3.664652	3.190317	591,208.38	6,523,456	3.945577	3.378537	220,397.36
39,452,319			\$1,317,834.61	20,261,998			\$698,616.22
			283.26				1.50
			-				-
			-				-
			-33,965.98				-17,828.96
			-312.93				5,579.08
			15,722.08				8,524.07
			\$1,299,561.04				\$694,891.91
6,981,611		\$3.08	-215,033.60	3,172,088		\$3.08	-97,700.32
32,470,708		\$3.340018	\$1,084,527.44	17,089,910		\$3.494410	\$597,191.59
		.040018	-12,994.08			.044410	-7,589.69
		\$3.30*	\$1,071,533.36			\$3.45*	\$589,601.90

* Subject to location differentials.

FEDERAL ORDER PRICES FOR WISCONSIN AREAS - NO. 39, NO. 45, NO. 51

Class I Price Differentials			Supply-Demand Adjustments			Class I Prices			Uniform Prices to Producers* and Producer Butterfat Differentials					
No.39	No.45	No.51	No.39	No.45	No.51	No.39	No.45	No.51	Milwaukee	Northeast	Madison			
cents			cents			dollars			dol. cents		dol. cents		dol. cents	
68	54	68	-24	-04	-24	3.45	3.51	3.45	3.36	6.9	3.28	7.0	3.27	6.9
88	74	88	-24	-08	-24	3.65	3.67	3.65	3.54	6.9	3.46	7.0	3.44	6.9
108	94	108	-24	-08	-24	3.87	3.89	3.87	3.76	7.0	3.66	7.1	3.66	6.9
108	94	108	-24	-12	-24	3.88	3.86	3.88	3.76	6.9	3.58	7.0	3.73	6.9
108	94	108	-24	-10	-24	3.90	3.90	3.90	3.80	6.9	3.58	7.1	3.72	6.9
108	94	108	-24	-16	-24	3.91	3.85	3.91	3.81	7.0	3.57	7.0	3.72	6.9
88	74	88	-24	-14	-24	3.74	3.70	3.74	3.64	6.9	3.42	7.0	3.56	6.9
88	74	88	-24	-20	-24	3.75	3.65	3.75	3.64	6.9	3.38	7.0	3.57	6.9
88	74	88	-24	-18	-24	3.74	3.66	3.74	3.63	6.9	3.40	7.0	3.58	6.9
68	54	68	-24	-24	-24	3.54	3.40	3.54	3.46	6.9	3.25	7.0	3.43	6.9
68	54	68	-24	-22	-24	3.53	3.41	3.53	3.46	6.9	3.25	7.0	3.38	6.9
68	54	68	-24	-24	-24	3.52	3.38	3.52						
68	54	68	-24	-24	-24									

* Weighted averages are shown for Milwaukee and all markets when base and excess prices are in effect.

UTILIZATION AND CLASS

FEDERAL ORDER

— MILWAUKEE MARKET NO. 39 —

I T E M	April 1963		March 1963		April 1962	
	Thousand Pounds	% B'fat	Thousand Pounds	% B'fat	Thousand Pounds	% B'fat
CLASS I MILK						
Packaged Products:						
Fluid Milk	44,900	3.5	46,355	3.5	37,881	3.5
Flavored Milk	1,658	3.5	1,736	3.5	1,281	3.5
2% Skim Milk, Solids Added	3,187	2.1	3,222	2.1	2,333	2.1
" " " , Plain	1,237	2.3	1,190	2.2	865	2.2
Skim Milk, Solids Added	1,797	.4	1,835	.4	1,568	.3
Plain Skim	987	.7	1,012	.7	836	.7
Buttermilk	477	1.0	480	1.0	442	1.0
Flavored Milk Drink	173	.7	190	.6	198	.7
Half & Half	976	12.4	976	12.5	857	12.4
Light Cream	50	19.1	52	18.8	58	19.0
Whipping Cream	240	33.2	206	33.2	235	32.9
Cultured Cream	212	18.7	189	18.7	150	18.7
Subtotal	55,894	3.6	57,443	3.5	46,704	3.6
Bulk Sales to Nonhandlers	592	3.6	498	3.7	466	4.1
Unaccounted for Milk	76	10.8	142	12.5	18	3.5
Total Utilized in Class I	56,562	3.6	58,083	3.6	47,188	3.6
Nonpool Receipts*	-143	4.6	-295	3.8	-	-
CLASS I - PRODUCER MILK	56,419	3.6	57,788	3.6	47,188	3.6
CLASS II MILK						
Bakeries et al	104	12.3	104	13.9	104	13.1
Cottage Cheese	4,534	.9	4,338	.9	3,177	.9
Cheese	2,769	3.6	2,450	3.8	1,507	3.7
Butter	2,146	6.5	2,130	7.2	2,357	6.5
Evap., Cond., & Pwd.	1,507	4.4	1,599	5.0	3,957	3.5
Ice Cream & Mixes	2,107	10.5	1,710	13.3	1,417	14.6
Livestock Feed	77		97		77	
Dumped Products	17		34		-	
Skim Equiv. Fort. Prod.	1,084		1,101		-	
Ending Inventory	4,983	3.9	5,400	4.0	4,230	4.0
Shrinkage	785	3.2	972	3.1	1,030	2.4
Total Utilized in Class II	20,113	4.0	19,935	4.3	17,856	4.4
Nonpool Receipts*	-8,433	3.4	-7,581	3.6	-3,942	5.0
CLASS II - PRODUCER MILK	11,680	4.4	12,354	4.7	13,914	4.3
TOTAL PRODUCER RECEIPTS	68,099	3.7	70,142	3.8	61,102	3.8

NOTE: For comparison only, statistics for 1962 are shown here reclassified in accordance with the amended order provisions effective May 1, 1962 for Order 45 and June 1, 1962 for Order 39.

CLASSIFICATION OF MILK

RS 39, 45, 51

— NORTHEASTERN MARKET NO. 45 —						— MADISON MARKET NO. 51 —					
April 1963		March 1963		April 1962		April 1963		March 1963		April 1962	
Thousand Pounds	% B'fat	Thousand Pounds	% B'fat	Thousand Pounds	% B'fat	Thousand Pounds	% B'fat	Thousand Pounds	% B'fat	Thousand Pounds	% B'fat
17,370	3.5	17,778	3.5	18,211	3.5	10,131	3.4	10,553	3.5		
999	3.6	1,098	3.6	1,171	3.4	695	3.8	754	3.8		
242	2.1	221	2.1	177	2.2	2,027	2.1	2,143	2.1		
229	1.8	228	1.8	176	1.7	-	-	-	-		
699	.6	723	.6	494	.5	633	.8	642	.7		
442	.5	432	.4	790	.7	62	.2	70	.3		
207	.7	207	.8	286	.7	161	1.6	165	1.5		
65	.8	68	.8	69	1.1	5	2.8	6	2.9		
343	12.7	338	13.0	392	12.8	314	12.2	309	12.1		
10	21.8	9	22.3	13	21.9	5	22.7	5	23.4		
90	34.2	83	34.1	106	34.8	61	34.2	57	33.9		
50	18.1	44	18.7	60	18.6	38	22.1	38	21.0		
20,746	3.6	21,229	3.6	21,945	3.6	14,132	3.5	14,742	3.5		
106	3.6	231	3.5	82	3.6	181	3.5	982	3.7		
73	12.5	47	12.3	104	7.7	95	2.9	105	3.8		
20,925	3.6	21,507	3.6	22,131	3.6	14,408	3.5	15,829	3.5		
-4	2.9	-26	1.1	-46	.7	-669	3.7	-693	3.7		
20,921	3.6	21,481	3.6	22,085	3.6	13,739	3.5	15,136	3.5		
-	-	-	-	-	-	5	36.5	4	38.9		
1,971	1.0	2,268	1.0	2,273	1.1	1,104	1.2	1,175	1.3		
14,262	3.5	13,451	3.6	12,161	3.6	1,953	2.8	1,358	3.0		
1,196	37.7	1,109	38.8	1,224	37.4	456	35.5	395	35.3		
11,259	.2	10,635	.3	12,166	.5	2,906		2,040			
960	7.4	928	8.0	1,534	7.1	871	8.5	655	9.0		
87		90		98		62		55			
17		15		17		-		1			
337		338		382		472		712			
2,307	4.5	2,690	4.5	2,522	4.4	1,273	4.0	1,559	3.9		
481	4.1	474	3.4	410	4.4	350	1.8	299	1.5		
32,877	3.6	31,998	3.7	32,787	3.7	9,452	3.8	8,253	3.9		
-14,346	3.6	-13,294	3.6	-14,268	3.7	-2,929	3.6	-2,737	3.3		
18,531	3.7	18,704	3.7	18,519	3.8	6,523	3.9	5,516	4.2		
39,452	3.6	40,185	3.7	40,604	3.7	20,262	3.6	20,652	3.7		

Order
Effective
June 1, 1962

* Includes, whenever applicable, receipts of other source milk, beginning inventory, and overage, all as allocated to classes, and discrepancies between reported interhandler transfers.

CLASS I AND RECEIPTS BY MONTHS

POUNDS OF PRODUCER MILK IN CLASS I, ITS PERCENTAGE TO TOTAL PRODUCER MILK WITH TOTALS FOR PRODUCER MILK AND FOR OTHER SOURCE MILK BY WISCONSIN MARKETS

Year and Month	MILWAUKEE, No. 39				NORTHEASTERN, No. 45				MADISON, No. 51			
	CLASS I		From Pro-ducers	Other Source Milk	CLASS I		From Pro-ducers	Other Source Milk	CLASS I		From Pro-ducers	Other Source Milk
	Mil. #	%	Mil. #		Mil. #	%	Mil. #		Mil. #	%	Mil. #	
1962												
June	51.9	78.6	66.0	3.0	21.3	54.5	39.8	16.5	11.3	61.1	18.5	1.9
July	50.4	81.6	61.8	3.5	22.9	66.6	34.4	15.0	11.6	68.2	17.0	2.0
Aug.	52.6	85.3	61.7	3.7	24.2	72.5	33.4	13.2	12.1	73.8	16.4	2.0
Sep.	53.5	84.5	63.3	3.0	22.7	65.8	34.5	10.9	13.4	80.2	16.7	2.1
Oct.	58.4	86.5	67.5	2.8	24.4	63.4	38.5	10.3	14.3	78.1	18.3	2.0
Nov.	56.8	87.7	64.8	2.5	23.5	63.2	37.2	9.2	13.5	75.0	18.0	1.9
Dec.	56.8	82.9	68.5	2.7	22.8	54.9	41.5	9.7	13.6	71.6	19.0	2.0
1963												
Jan.	58.1	83.7	69.4	2.6	21.5	53.8	40.0	9.2	14.4	73.5	19.6	2.0
Feb.	52.6	82.8	63.5	2.6	19.8	54.1	36.6	8.7	13.6	73.1	18.6	1.6
Mar.	57.8	82.5	70.1	2.8	21.5	53.5	40.2	10.7	15.1	72.9	20.7	2.1
Apr.	56.4	82.8	68.1	3.2	20.9	52.9	39.5	11.6	13.7	67.5	20.3	2.0
May												
June												

FARM NUMBERS AND DELIVERIES

NUMBER OF FARMS AND AVERAGE DAILY DELIVERIES PER FARM BY WISCONSIN MARKETS

Year and Month	MILWAUKEE				NORTHEASTERN				MADISON			
	Number of Farms		Avg. Daily Per Farm		Number of Farms		Avg. Daily Per Farm		Number of Farms		Avg. Daily Per Farm	
	'62	'63	'62	'63	'62	'63	'62	'63	'62	'63	'62	'63
Jan.	2174	2274	943	984	1389	1374	897	940	615		1028	
Feb.	2173	2263	954	1004	1402	1371	930	952	651		1023	
Mar.	2161	2256	954	1007	1427	1360	939	959	650		1025	
Apr.	2132	2261	961	1007	1421	1355	952	971	645		1047	
May	2095		993		1387		970					
June	2339		957		1398		949		613		1005	
July	2348		854		1408		788		622		884	
Aug.	2342		852		1433		753		624		847	
Sep.	2327		912		1451		793		618	90	901	
Oct.	2322		946		1471		844		621		951	
Nov.	2321		938		1450		856		621		965	
Dec.	2315		961		1477		905		618		991	
Avg.	2255		931		1426		881		620		935	

COMPARATIVE STATISTICS

SELECTED DATA COMPARISONS, WISCONSIN MARKETS

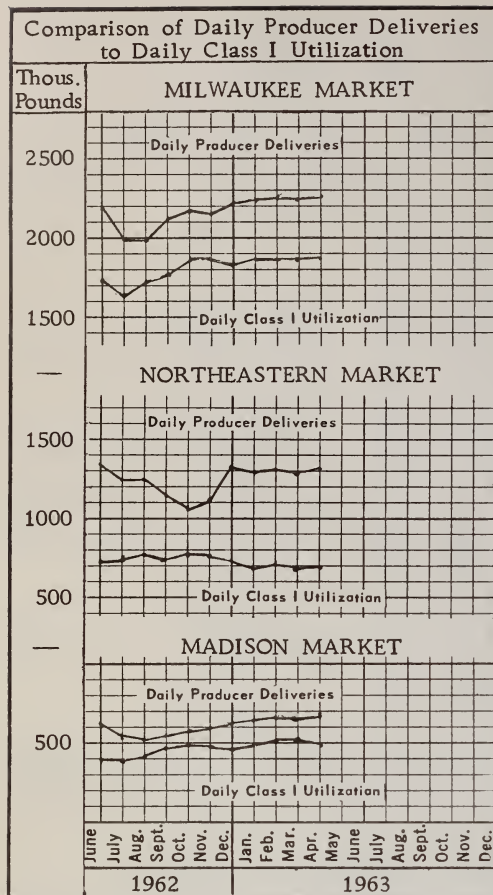
	Order No. 39			Order No. 45			Order No. 51		
	April '63	April '62	Com- parison	April '63	April '62	Com- parison	April '63	April '62	Com- parison
Average Daily:									
Producer Milk, thous. lbs.	2,270	2,037	+11.4%	1,315	1,353	-2.8%	675		
Other Receipts " "	106	27		388	413		120		
Gross Class I " "	1,885	1,573	+19.8%	697	750	-7.1%	480		
Gross Class II " "	670	595	+12.6%	1,096	1,080	+1.5%	315		
Deliveries per Farm, lbs.	1007	961	+4.8%	971	952	+2.0%	1047		
Number of Farms	2,261	2,132	+129	1,355	1,421	-66	645		
Avg. Test of Prod. Milk, %	3.71	3.75		3.62	3.69		3.63		Order
Number of Handlers:									Effective
Pool Plants	27	12	+15	63	70	-7	22		June 1, 1962
Other Handlers	3	1	+2	8	6	+2	9		
Producer Milk in Class I, %	82.8	77.2		53.0	55.3		67.8		
Shrinkage to Total Receipts:									
Product Pounds, %	1.12	1.69		1.08	1.00		1.76		
Butterfat Pounds, %	1.17	1.06		1.58	1.35		.96		

NEARBY FEDERAL ORDER DATA

PRODUCER MILK, TOTAL AND CLASS I, AND RELATED PRICES - APRIL 1963

Market	Producer Milk thous. lbs.	Class I Milk thous. lbs.	Class I Price 3.5% Milk \$ per cwt.	Producer Price 3.5% Milk \$ per cwt.
Chicago, No. 30	528,685	192,019	3.55	3.36
Duluth-Superior, No. 69	14,537	7,373	3.84	3.36
Madison, No. 51	20,262	13,739	3.53	3.38
Mich. Upper Peninsula, No. 44	11,030	7,387	3.62	3.526
Milwaukee, No. 39	68,099	56,418	3.53	3.455
Minneapolis-St. Paul, No. 68	99,980	56,502	3.79	3.52
Northeastern Wisconsin, No. 45	39,452	20,921	3.41	3.25
Quad Cities-Dubuque, No. 63	23,928	14,101	3.75	3.49
Rock River Valley, No. 38	10,987	8,712	3.57	3.48
Southern Michigan, No. 40	304,197	178,523	3.86	3.32

NOTE: The producer price shown for Michigan Upper Peninsula and Milwaukee is, in each case, the weighted average of minimum pay prices for pool plants, including zone or location differentials. Announced prices for basic zones are quoted in other instances. During base pay periods weighted averages are shown for base and excess prices.



WISCONSIN FEDERAL MILK ORDER BULLETIN

Published Monthly By
Federal Milk Market Administrator
4920 West Burleigh Street
Milwaukee 10, Wisconsin
for the
Milwaukee, Northeastern
and Madison Marketing Areas

This bulletin is primarily to provide producers who are not members of cooperative associations with market information in accordance with § 1039.74 of the Milwaukee Wisconsin marketing order, § 1045.75 of the Northeastern Wisconsin marketing order, and § 1051.77 of the Madison Wisconsin marketing order.

Federal Orders, Continued from page 1

marketing problems was recently re-emphasized and strengthened by the Agricultural Act of 1961.

Marketing order programs for milk and dairy products differ from those for commodity crops because of different marketing problems and because of the specific provisions included in milk orders to set minimum prices to handlers based on supply-demand conditions, and divide among producers the returns for their milk.

Milk is usually shipped to one consuming market, in which a relatively few organizations buy and distribute the bulk of the fluid milk. With commodity crops, there are many buyers, and the commodities are shipped to widely scattered areas.

In contrast to other marketing orders, regulations for milk orders involve classification according to use, and determination of minimum prices for the various uses. The price paid by handlers for milk for fluid distribution is set at a higher level than prices for other uses. (June Issue: How a Milk Marketing Order Gets Started.)

Payments, Continued from page 1

However, in 1962 this pattern of above-order prices for the first time was pre-dominantly on a year-round basis. This refers to marketwide payments or "premiums" rather than higher payments to certain producers sometimes paid for higher-quality milk, high volume, or bulk tank deliveries. Handling charges for services performed by a producer association are not considered as above-order payments, although it is recognized that such charges may vary in a market depending on supply and demand patterns.

These above-order payments have been of 2 general types: (1) In some markets, additional payments are determined by negotiation and are made by handlers through an equalization fund operated by a bank or cooperative association like a market-pool; (2) in certain Federal marketing areas where State milk control agencies operate concurrently, State agencies have often established Class I prices above the Federal order prices.

Negotiated prices above Federal order minimums between producer associations and proprietary handlers have been especially widespread in the East North Central region. Above-order prices have prevailed in the Detroit market since April 1956 and started in the Chicago and Milwaukee markets in 1957. (Dairy Situation, April 1963)